



General Assembly

January Session, 2007

Raised Bill No. 1136

LCO No. 4104

04104_____GL_

Referred to Committee on General Law

Introduced by:
(GL)

AN ACT CONCERNING GASOLINE ZONE PRICING.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 16a-23 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2007*):

3 (a) No person engaged in the business of refining petroleum into
4 gasoline and furnishing gasoline to retail distributors of gasoline for
5 sale to the public in this state shall fail to furnish gasoline to
6 independent retail distributors of gasoline in this state, whether or not
7 franchised by such person, at wholesale prices in reasonable quantities
8 as long as [he] such person continues to furnish gasoline to retail
9 distributors of gasoline in this state which are wholly owned by [him]
10 such person or operated under a franchise granted by [him] such
11 person.

12 (b) It shall constitute, prima facie, a violation of the provisions of
13 subsection (a) of this section for any such person (1) during any
14 calendar month beginning after July 1, 1973, to deliver to independent
15 retail distributors of gasoline in this state a percentage of the total
16 gallons of gasoline delivered by [him] such person to all retail

17 distributors of gasoline in this state during that month which is lower
 18 than the percentage of the total gallons of gasoline delivered by [him]
 19 such person to all retail distributors of gasoline in this state during the
 20 period from July 1, 1971, to June 30, 1972, which was delivered by
 21 [him] such person to independent retail distributors of gasoline in this
 22 state during that period, or (2) to sell gasoline to independent retail
 23 distributors of gasoline in this state at a price during any such month
 24 which is greater than (A) the average price at which [he] such person
 25 sold gasoline to such distributors during the period from July 1, 1971,
 26 to June 30, 1972, increased by (B) a percentage equal to the percentage
 27 by which the average price for gasoline sold during that month to
 28 retail distributors of gasoline which are wholly owned by, or operated
 29 under a franchise granted by [,] that person exceeds the average price
 30 for gasoline sold to such distributors during the period from July 1,
 31 1971, to June 30, 1972.

32 (c) No producer or refiner of petroleum products who is subject to
 33 the provisions of section 14-344a and furnishes gasoline to a person
 34 that sells gasoline at retail in this state shall use a pricing system under
 35 which the wholesale price paid for such gasoline by such retail seller is
 36 determined based on the geographic location of such retail seller in
 37 any geographic zone in this state, or any other system that would
 38 prevent retail sellers of gasoline from paying lower prices on an equal
 39 basis with other retail sellers of gasoline in this state. Such producer
 40 and refiner shall not discriminate in the price of such gasoline charged
 41 to retail sellers of gasoline in this state, except to offer discounts or
 42 rebates that may be determined by such producer or refiner from time
 43 to time. Such discounts or rebates shall be disclosed by the producer or
 44 refiner to the retail sellers and shall be offered by the producer or
 45 refiner to all of its retail sellers on equal terms and conditions. When
 46 offered, all such discounts or rebates and the time period they are
 47 offered shall be listed as a separate line item entry on each invoice.

48 [(c)] (d) A violation of the provisions of subsection (a) or (c) of this
 49 section or of section 2 of this act constitutes an unfair trade practice

50 [within the provisions of chapter 735a] under subsection (a) of section
51 42-110b.

52 Sec. 2. (NEW) (*Effective July 1, 2007*) Each retailer who sells gasoline
53 in this state shall sell such gasoline based on the actual price such
54 retailer paid for the gasoline located in underground storage tanks
55 located on the premises of the retail gasoline station at which such
56 gasoline is sold. Such retailer shall not raise the retail price of such
57 gasoline in anticipation of market based price increases.

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| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>July 1, 2007</i> | 16a-23 |
| Sec. 2 | <i>July 1, 2007</i> | New section |

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| Section 1 | <i>July 1, 2007</i> | 16a-23 |
| Sec. 2 | <i>July 1, 2007</i> | New section |

Statement of Purpose:

To ban the practice of gasoline zone pricing.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]